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OFFICE OF PETITIONS

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In re Patent No. 7,125,336 :
Anttila, et al. : DECISION ON REQUEST
Issue Date: October 24, 2006 : FOR
Application No. 10/017,382 : RECONSIDERATION OF
Filed: December 18, 2001 : PATENT TERM ADJUSTMENT
Atty Docket No. 004770.00030 :

This is a decision on the "APPLICATION FOR PATENT TERM ADJUSTMENT UNDER 37 C.F.R. § 1.705(b)," filed December 5, 2008. Patentees request an addition of 346 days of patent term adjustment for a total of one thousand and twenty-one (1021) days. The petition will be treated under 37 C.F.R. § 1.705(d).

The request for reconsideration of the patent term adjustment under § 1.705(d) is **DISMISSED**.

Patentees are given **TWO (2) MONTHS** from the mail date of this decision to respond. No extensions of time will be granted under § 1.136.

Patentees filed an application for patent term adjustment as it related to the Office's failure to issue a patent within three (3) years of the application's filing date, on April 14, 2006. On September 14, 2006, the Office mailed a decision holding the application for patent term adjustment in abeyance until the patent issued. Patentees had two (2) months from the issue date of the patent to file a request for reconsideration of the patent term adjustment for Office failure to issue the patent

the patent issued, on December 18, 2006. See § 1.705(d). On November 14, 2008, the Office mailed a decision dismissing the December 18, 2006 request for reconsideration. Patentees had two (2) months from the mail date of the November 14, 2008 decision to request reconsideration.

The instant petition was timely filed on December 5, 2008.

Patentees maintain that the patent term methodology identified and explained in Wyeth v. Dudas, 580 F. Supp. 2d 138, 88 U.S.P.Q. 2d 1538 (D.D.C. 2008) governs the USPTO calculation of the patent term adjustment for this patent. Therefore, patentees maintain that the patent term adjustment should have been 1021 days.

Patentees argue that the period of adjustment due to the Three Year Delay by the Office, pursuant to 37 CFR § 1.703(b), is 675 days. This 675 day period is calculated based on the application having been filed under 35 U.S.C. §111(a) on December 18, 2001, and the patent having not issued until October 24, 2006, three years and 675 days later. Petitioners assert that in addition to this 675 day period, they are entitled to a period of adjustment due to examination delay, pursuant to 37 CFR §1.702(a), totalling 417 days. This 417 day period is the sum of:

- a period of delay of 346 days for the failure by the Office to mail at least one of a notification under 35 U.S.C. 132 not later than fourteen months after the date on which the application was filed under 35 U.S.C. 111(a), pursuant to § 1.702(a)(1);
- a period of delay of 71 days for the failure by the Office to issue the patent after the issue fee was paid and all outstanding requirements were satisfied, pursuant to § 1.702(a)(4);

Under 37 CFR § 1.703(f), applicants are entitled to a period of patent term adjustment equal to the period of delays based on the grounds set forth in 37 CFR §1.702 reduced by the period of time equal to the period of time during which applicants failed to engage in reasonable efforts to conclude prosecution pursuant to 37 CFR §1.704. In other words, the period of Office delay reduced by the period of applicant delay. The period of reduction of 0 days for applicant delay is not in dispute. Patentees assert that the total period of Office delay is the

sum of the period of Three Years Delay (675 days) and the period of Examination Delay (417 days) to the extent that these periods of delay are not overlapping.

Further, patentees articulate the period of overlap as follows:

Patentees contend that the full 71 days for failure by the Office to issue the patent after the issue fee was paid and all outstanding requirements were satisfied, pursuant to § 1.702(a)(4) (August 14, 2006 to October 24, 2006) overlaps with a portion of the Three Year delay period (December 19, 2004 to October 24, 2006).

Thus, according to patentees the total period of overlap is 71 days.

Accordingly, patentees submit that the total period of Office Delay is 604 days, which is the sum of the period of Three Year Delay (675 days) and the period of Examination Delay (417 days), reduced by the period of overlap (71 days).

As such, applicants assert entitlement to a patent term adjustment of 1021 days (675 +417 reduced by 71 overlap -0 for applicant delay).

The Office agrees that the patent issued 3 years and 675 days after its filing date. The Office agrees that the actions detailed above were not taken within the specified time frames, and thus, the entry of period of adjustment of 417 days is correct. At issue is whether applicants should accrue 604 (adjusted for overlap, per applicants' calculations) days of patent term adjustment for the Office taking in excess of three years to issue the patent, as well as, 417 days for Office failure to take certain actions within a specified time frames (or examination delay).

The Office contends that all 675 days overlap. Patentees' interpretation of the period of overlap has been considered and found to be incorrect. Patentees' calculation of the period of overlap is inconsistent with the Office's interpretation of this provision. 35 U.S.C. 154(b)(2)(A) limits the adjustment of patent term, as follows:

to the extent that the periods of delay attributable to grounds specified in paragraph (1) overlap, the period of any adjustment granted under this subsection shall not exceed the actual number of days the issuance of the patent was delayed.

Likewise, 37 CFR 1.703(f) provides that:

To the extent that periods of delay attributable to the grounds specified in §1.702 overlap, the period of adjustment granted under this section shall not exceed the actual number of days the issuance of the patent was delayed.

As explained in *Explanation of 37 CFR 1.703(f) and of the United States Patent and Trademark Office Interpretation of 35 U.S.C. 154(b)(2)(A)*, 69 Fed. Reg. 34283 (June 21, 2004), the Office interprets 35 U.S.C. 154(b)(2)(A) as permitting either patent term adjustment under 35 U.S.C. 154(b)(1)(A)(i)-(iv), or patent term adjustment under 35 U.S.C. 154(b)(1)(B), but not as permitting patent term adjustment under both 35 U.S.C. 154(b)(1)(A)(i)-(iv) and 154(b)(1)(B). Accordingly, the Office implements the overlap provision as follows:

If an application is entitled to an adjustment under 35 U.S.C. 154(b)(1)(B), the entire period during which the application was pending (except for periods excluded under 35 U.S.C. 154(b)(1)(B)(i)-(iii)), and not just the period beginning three years after the actual filing date of the application, is the period of delay under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay overlap under 35 U.S.C. 154(b)(2)(A). Thus, any days of delay for Office issuance of the patent more than 3 years after the filing date of the application, which overlap with the days of patent term adjustment accorded prior to the issuance of the patent will not result in any additional patent term adjustment. See 35 U.S.C. 154(b)(1)(B), 35 U.S.C. 154(b)(2)(A), and 37 CFR § 1.703(f). See *Changes to Implement Patent Term Adjustment Under Twenty Year Term; Final Rule*, 65 Fed. Reg. 54366 (Sept. 18, 2000). See also *Revision of Patent Term Extension and Patent Term Adjustment Provisions; Final Rule*, 69 Fed. Reg. 21704 (April 22, 2004), 1282 Off. Gaz. Pat. Office 100 (May 18, 2004). See also *Explanation of 37 CFR 1.703(f) and of the United States Patent and Trademark*

Office Interpretation of 35 U.S.C. 154(b)(2)(A), 69 Fed. Reg. 34283 (June 21, 2004).

The current wording of § 1.703(f) was revised in response to the misinterpretation of this provision by a number of applicants. The rule was slightly revised to more closely track the corresponding language of 35 U.S.C. 154(b)(2)(A). The relevant portion differs only to the extent that the statute refers back to provisions of the statute whereas the rule refers back to sections of the rule. This was not a substantive change to the rule nor did it reflect a change of the Office's interpretation of 35 U.S.C. 154(b)(2)(A). As stated in the *Explanation of 37 CFR 1.703(f) and of the United States Patent and Trademark Office Interpretation of 35 U.S.C. 154(b)(2)(A)*, the Office has consistently taken the position that if an application is entitled to an adjustment under the three-year pendency provision of 35 U.S.C. 154(b)(1)(B), the entire period during which the application was pending before the Office (except for periods excluded under 35 U.S.C. 154(b)(1)(B)(i)-(iii)), and not just the period beginning three years after the actual filing date of the application, is the relevant period under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay "overlap" under 35 U.S.C. 154(b)(2)(A).

This interpretation is consistent with the statute. Taken together the statute and rule provide that to the extent that periods of delay attributable to grounds specified in 35 U.S.C. 154(b)(1) and in corresponding §1.702 overlap, the period of adjustment granted shall not exceed the actual number of days the issuance of the patent was delayed. The grounds specified in these sections cover the A) guarantee of prompt Patent and Trademark Office responses, B) guarantee of no more than 3 year application pendency, and C) guarantee or adjustments for delays due to interference, secrecy orders and appeals. A section by section analysis of 35 U.S.C. 154(b)(2)(A) specifically provides that:

Section 4402 imposes limitations on restoration of term. In general, pursuant to [35 U.S.C.] 154(b)(2)(A)-(C), total adjustments granted for restorations under [35 U.S.C. 154](b)(1) are reduced as follows: (1) To the extent that there are multiple grounds for extending the term of a patent that may exist simultaneously (e.g., delay due to a secrecy order under [35 U.S.C.] 181 and administrative delay under [35 U.S.C.] 154(b)(1)(A)), the

term should not be extended for each ground of delay but only for the actual number of days that the issuance of a patent was delayed; See 145 Cong. Rec. S14,718¹

As such, the period for over 3 year pendency does not overlap only to the extent that the actual dates in the period beginning three years after the date on which the application was filed overlap with the actual dates in the periods for failure of the Office to take action within specified time frames. In other words, consideration of the overlap does not begin three years after the filing date of the application.

In this instance, the relevant period under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay "overlap" under 35 U.S.C. 154(b)(2)(A) is the entire period during which the application was pending before the Office, December 18, 2001 to October 24, 2006. (There were no periods excluded under 35 U.S.C. 154(b)(1)(B)(i)-(iii)). 417 days of patent term adjustment were accorded prior to the issuance of the patent for the Office failing to respond within specified time frames during the pendency of the application. During that time, the issuance of the patent was delayed by 675 days, not 675 + 417 days. The Office took 14 months and 346 days to issue a first Office action, and four months and 71 days to issue the patent after the issue fee was paid and all outstanding requirements were satisfied. Otherwise, the Office took all actions set forth in 37 C.F.R. § 1.702(a) within the prescribed timeframes. Nonetheless, given the initial 417 days of Office delay and the time allowed within the timeframes for processing and examination, the patent issued, three years and 675 days after its filing date. The Office did not delay 675 days and then 346 days and then an additional 71 days. The period of delay of 675 days attributable to the delay in the issuance of the patent partially overlaps with the adjustment of 417 days attributable to grounds specified in § 1.702(a)(1) and (4). Entry of all three periods is not warranted. 675 days was properly determined to be the actual number of days that the issuance of the patent was delayed. The 675 days for over 3 years overlaps with not only the 71 days accorded pursuant to § 1.702(a)(4) but also the 417 days accorded pursuant to § 1.702(a)(1).

¹ The AIPA is title IV of the Intellectual Property and Communications Omnibus Reform Act of 1999 (S. 1948), which was incorporated and enacted as law as part of Pub. L. 106-113. The Conference Report for H.R. 3194, 106th Cong. 1st Sess. (1999), which resulted in Pub. L. 106-113, does not contain any discussion (other than the incorporated language) of S. 1948. A section-by-section analysis of S. 1948, however, was printed in the Congressional Record at the request of Senator Lott, See 145 Cong. Rec. S14,708-26 (1999) (daily ed. Nov. 17, 1999).

Accordingly, at issuance, only the additional non-overlapping period of (675 - 417) 258 days was entered for Office delay in issuing the patent pursuant to 37 CFR 1.703(b).

In view thereof, the Office affirms that the revised determination of patent term adjustment at the time of the issuance of the patent is 675 days (417 examination delay + 258 non-overlapping Three Year Delay - 0 applicant delay).

The Office acknowledges submission of the \$200.00 fee set forth in 37 CFR 1.18(e) on April 14, 2006. No additional fees are required.

Telephone inquiries specific to this matter should be directed to Shirene Willis Brantley, Senior Petitions Attorney, at (571) 272-3230.

A handwritten signature in black ink, appearing to read "Nancy Johnson", with a large, stylized loop at the end.

Nancy Johnson
Senior Petitions Attorney
Office of the Deputy Commissioner
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